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8 **UNITED STATES BANKRUPTCY COURT**
9 **NORTHERN DISTRICT OF CALIFORNIA, DIVISION 5**
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11 In re

12 ALPHA FACTORS, INC., dba Century 21
13 Alpha,

14 Debtor.

Case No. 08-54475 RLE

Chapter 11

NO HEARING REQUIRED

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17 **DECLARATION OF STEVE W. DOLLAR IN SUPPORT OF EX PARTE**
18 **APPLICATION FOR APPOINTMENT OF SPECIAL COUNSEL FOR DEBTOR**
(FEDERAL RULE OF BANKRUPTCY PROCEDURE 2016(B))

19 I, Steve W. Dollar, know the following matters to be true of my own, personal
20 knowledge and, if called as a witness, could and would testify competently thereto:

21 1. I am a member of the State Bar of California in good standing and am
22 admitted to practice before this Court and all courts of the State of California. I am a
23 partner in Ericksen, Arbuthnot, Kilduff, Day & Lindstrom. My office is located at 152
24 North Third Street, Suite 700, San Jose, CA 95112. This Declaration is submitted in
25 support of the Ex Parte Application For Appointment of Special Counsel For Debtor.

26 2. The Debtor desires to employ Ericksen, Arbuthnot, Kilduff, Day &
27 Lindstrom as its Special Counsel to provide legal defense of the Debtor and other
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1 named defendants in the appeal and remand in a case entitled VERA DALTON, an
2 individual and WILLIAM CORBIN, an individual, Plaintiffs, vs. CENTURY 21 ALPHA,
3 business form unknown, JOANIE FRANCIS, an individual, RICH ROBINSON, an
4 individual, DIANE RENEE LAMBERT and DOES 1 through 50, inclusive, and related
5 cross-actions, Santa Clara County Superior Court number 1 03 CV011268 (the
6 “Superior Court Action”) as set forth in greater detail the accompanying application for
7 appointment of special counsel.

8 5. Based upon (a) Special Counsel’s knowledge of and expertise in the
9 matters described above for which the Debtor seeks to employ Special Counsel, (b) the
10 Debtor’s need for legal representation regarding such matters, and (c) the fact that
11 Debtor’s business insurance policy is, through CIGA, providing a defense without cost
12 to the estate, the employment of Special Counsel would be in the best interests of the
13 Estate.

14 6. Special Counsel is disinterested, does not hold or represent an interest
15 adverse to the Debtor or to the Estate herein as to the matters upon which it is to be
16 employed, and has no connection with the Debtor, any creditors of the Debtor or other
17 parties in interest, or their respective attorneys and accountants, or the U.S. Trustee,
18 except that Special Counsel represented the Debtor in the Superior Court Action prior
19 to the filing of the above-captioned bankruptcy case.

20 7. No agreement or understanding exists between Special Counsel and any
21 other person for the sharing for compensation received or to be received for services
22 rendered in or in connection with this case, except with the regular members and
23 associates of Berliner Cohen. Berliner Cohen does not hold any interest adverse to the
24 Debtor, its estate, or the creditors herein, with respect to any of the matters referred to
25 herein.

8. Debtor's counsel has provided Special Counsel with a copy of the Guidelines for Compensation and Expense Reimbursement of Professionals and Trustees promulgated by this Court.

I declare under penalty of perjury of the laws of the United States that the foregoing is true and correct. Executed this 21st day of October, 2008, at San Jose, California.

/s/ STEVE W. DOLLAR
STEVE W. DOLLAR